



# *Live* Work Latrobe Policy Directions Report

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# 1 Introduction

*Live, Work, Latrobe* is founded on 3 key themes:

- Housing
- Industry and Employment
- Rural Land Use

The project is being undertaken as a two stage process, with Stage 1 incorporating a Background Report, Consultation Report and Policy Directions Report (this document). Stage 1 included various community and stakeholder consultation methods, which is represented in Consultation Report. Stage 1 takes a comprehensive perspective of Latrobe, and considers the three themes of the project (Housing, Industry and Employment and Rural Land Use) as well as broader matters which intersect with all three themes. Stage 2 will see the project breaking out into three individual strategies (Housing, Industry and Employment and Rural Land Use).

This Policy Directions Report has been informed by the Background Report and Consultation Report which have been produced for this project. The Policy Directions Report begins to articulate a response to key findings which have occurred during the development of the Background Paper and tested through Consultation.

The principles identified within this document will guide the development of the Housing Strategy, Industrial and Employment Strategy and Rural Land Use Strategy.

# 2 Methodology

## 2.1 *Live Work Latrobe*

*Live Work Latrobe* will create a long term plan for Latrobe City. It will guide future growth, recognise and protect important assets, as well as plan for changing industry and employment opportunities in the region. Specifically, the project will develop three long term strategies to guide future housing, industrial land use and employment and rural land use.

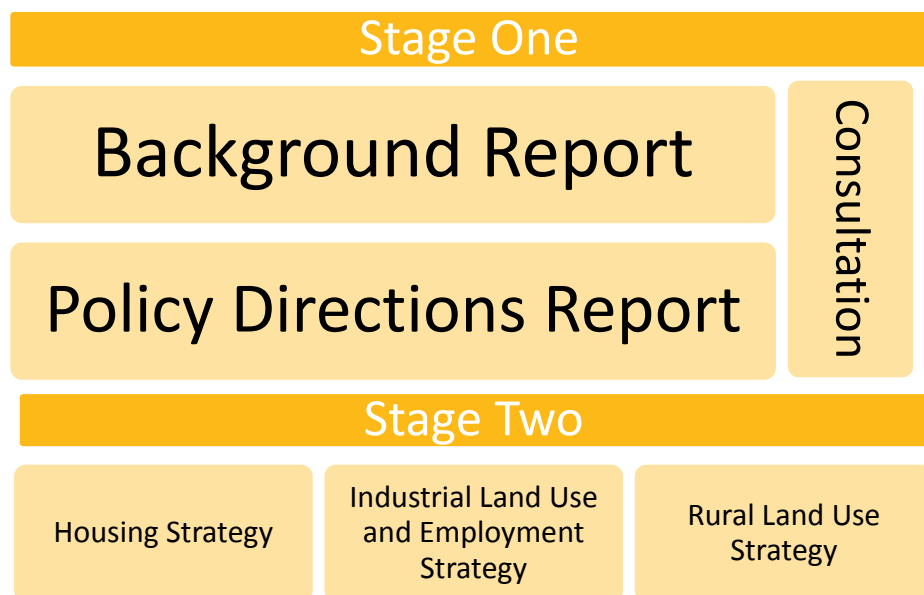
Land use planning in Latrobe City is unique and affected by many factors not experienced elsewhere in the state. Conflicting land uses continue to impact the ability of Latrobe City to promote a healthy, balanced municipality, offering affordable lifestyle and housing choices while providing adequate jobs and prosperous modern industries which can support its existing and growing population.

While council and others have undertaken significant strategic work relating to the Latrobe City area, the existing Municipal Strategic Statement within the Latrobe Planning Scheme is considered to contain gaps, particularly relating to industrial land and rural land. As such, there is a lack of a well-defined policy to guide long term decision making regarding land use planning for the whole municipality. Furthermore, it is noted that the bulk of existing studies are over five years old and many of them have not been implemented into the Latrobe City Council Planning Scheme to form meaningful land use policies; whilst many of the existing policies require some renewal before they can be further implemented. This project will refresh many of the existing policies, outline where policy gaps are present, and will identify and in some cases resolve, these gaps.

Community consultation and understanding local aspirations for the future of the region has been an important part of this project. The realisation of the project will provide a higher level of certainty and direction for the community, investors, infrastructure and service providers as well as decision makers for the long term growth of Latrobe City.

*Live Work Latrobe* will identify Latrobe City's key opportunities and provide a roadmap for future strategic planning that identifies a municipal approach to housing, support for existing and new industry, clear guidance for the rural areas, as well as supporting transitioning industries.

This project is being undertaken over two stages (refer below):



**Figure 1:** Live Work Latrobe Process

Stage 1 includes the development of a Background Paper which captures the current *status quo*, existing State, Regional and Local policies, as well the projections and trends for the future. Stage 1 also included extensive community consultation, to capture community sentiment and community aspirations for the future. This is expressed within the Community Consultation Report. The key findings and directions identified as part of the Background Report and Community Consultation Report have been further considered within this Policy Directions Report.

## 2.2 Policy Directions Report

The Policy Directions Report is the final output for Stage 1 of *Live Work Latrobe* and has been prepared for Latrobe City Council by Meinhardt. The Policy Directions Report is based on the Background Report and Consultation Report.

Policy Directions Report identifies the emerging principles of *Live Work Latrobe* and provides direction for the future strategies.

The methodology used to produce the content of this Policy Directions Report included the following:

- Identification of key findings from the Background Report
- Identification of key findings from consultation
- Consideration of issues such as economics, population, environment, employment, growth, infrastructure and social cohesion as they relate to identified key findings and key feedback.

It is intended that each strategy will be implemented through policy and future amendments to the Latrobe Planning Scheme. The project will also inform advocacy positions for matters outside of council's direct control.

### 3 Policy Directions

The following page outlines the identified policy directions for each theme.

#### Overarching Policy Directions

1. Recognise the interconnected nature of a strong economy, cleaner and greener environment and healthy and connected community.
2. Develop the three Stage 2 strategies concurrently to ensure that common issues are comprehensively addressed across all three strategies.
3. Build upon the existing 'networked city' policy within the Latrobe Planning Scheme and strengthen the establishment of Latrobe City as a single urban system to secure its role as one of Victoria's four Major Regional Cities.

#### Housing Policy Directions

1. Where appropriate, identify opportunities for sustainable growth in existing urban areas.
2. Ensure that land supply and demand estimates consider localised issues and pressures identified in the Stage 1 Background Report.
3. Identify longer term opportunities for growth (beyond 15 year supply estimate).
4. Identify opportunities to diversify Latrobe City's housing stock to provide for smaller households.
5. Work with State Government and housing providers to consider the role of institutional housing to meet housing needs, as well as the preferred location of institutional and social housing, having regard to the location of services and social impacts.
6. Provide urban design guidance in relation to housing density and diversity and subdivision design (including street hierarchies, block structures and connectivity).

#### Industry & Employment Policy Directions

1. Diversification of employment opportunities is considered a priority for Latrobe City. Growing new markets for low emission energy resources and food are considered opportunities.
2. Recognise the significance of industrial land uses through the planning scheme.
3. Capture identified economic opportunities (as relevant to land use planning) and incorporate relevant directions from the Economic Development Strategy (currently being prepared by council) into the Industrial Land Use and Employment
4. Identify critical infrastructure required to support existing and new industry investment.
5. Identify the purpose, role and opportunities of the key industrial precincts in Latrobe City.
6. Provide a short, medium and long term approach to industrial land. This should specifically include exploration of land previously identified for a transition from/to industrial.

#### Rural Policy Directions

1. Protect high quality agricultural land and recognise the impact climate change may have on the productivity of the land in the future.
2. Explore opportunities for niche farming, intensive agricultural uses, new rural industries and food processing.
3. Recognise areas of particular environmental or landscape value.
4. Develop clear policies relating to the future of rural land, specifically addressing policy directions as to where rural living is appropriate and where it should be discouraged; and how existing small lots within the Farming Zone will be best managed/utilised.
5. Articulate the purpose of rural living areas, clearly differentiating its role from urban residential zones.
6. Consider environmental risks and extreme weather events, specifically including bushfire as risk to life.
7. Consider areas suitable for different forms of rural land use including intensive farming, intensive agriculture, tourism, and conservation.

4. Land use and development constraints are to be recognised in the preparation of all three strategies. These constraints include:
  - a. Biodiversity
  - b. Environmental Risks and extreme weather events (including Flooding, Bushfire)
  - c. Geology
  - d. Land Capability
  - e. Infrastructure access and serviceability
  - f. State Resource and Environmental Significance Overlays
  - g. Land use separation buffers (i.e. separation of major industry/mining from urban areas).
5. Seek the participation of the Victorian State Government, major industries, community and other key stakeholders to assist in the development of effective policy and strategy responses, particularly in relation to land affected by coal related policies.

7. Develop a Residential Development Framework Plan for the entire Municipality.
8. Develop small town Structure Plans as identified in the Latrobe Planning Scheme.
9. Evaluate existing neighbourhood character and identify new and emerging characters. Where required, undertake neighbourhood character study.

7. Investigate land use options within the State Resource Overlays, heavy industry and mining buffers, recognising these matters are under State Government control.
8. Recognise land use separation distances or threshold distances within the Latrobe Planning Scheme.
9. Provide design guidance for new industrial development.

8. Consider application of the full suite of Rural Zones and other planning tools which may be used to support different rural activities.

## 3.1 Policy Directions Analysis

The table below outlines the analysis of the key findings from the Background Report and Consultation Report and demonstrates how the Policy Directions emerged

**Key Findings:** An outline of the primary findings as they relate to identified themes and analysis summarised from the Background Report and Consultation Report  
**Discussion:** Discussion of the Key Findings  
**Direction:** The emerging direction of the theme, based on consideration and response to the key findings.

### 3.1.1 Overarching Directions

The General Key Findings within the Section 9 of the Background Report provides some key features of Latrobe City, as well as the following overarching land use constraints. These are considered relevant to all future strategies.

Key Findings	Discussion	Direction
<ul style="list-style-type: none"> <li>The towns of Moe-Newborough Morwell, Traralgon and Churchill form a collective urban system or 'networked city', which is recognised as one of Victoria's four Major Regional Cities. Better articulation and broader recognition of the Major Regional City status will support future strategic work and assist council in leveraging opportunities such as improved infrastructure and investment.</li> <li>Regional Policy recognises Latrobe City (the Regional City) as a focal point for growth. It has been identified that in order to support this growth, investment in higher order regional infrastructure will be required, as will greater housing diversity and cultural and recreational opportunities to attract population growth and retention, which will also drive demand for business and employment.</li> <li>Changes to the local economy as part of the transition to a lower carbon future are a challenge for the municipality. In response to this, Latrobe City has identified a need to diversify the local economy and facilitate this transition. Land use planning can contribute to this, and opportunities to provide land use support to council through this transition should be incorporated into future work where possible.</li> <li>Latrobe City is generally well serviced by infrastructure, particularly when considered in comparison to Regional Victoria.</li> <li>The municipality's rural living areas offer an attractive lifestyle choice nearby to the main towns of Latrobe City, however rural living needs to be considered in balance with opportunities for productive land use and the need to protect agricultural land.</li> </ul>	<p>Through Stage 1 the relationship between sustainable employment, environment, healthy and well connected community were identified as critical to Latrobe City's future. These principles and the relationship between the principles provide a clear, powerful, and logical foundation by which Live Work Latrobe can be developed.</p> <p>Common constraints which apply across the municipality are relevant to each of the three strategies. The benefit of developing three strategies together is that each can consider common issues and develop integrated and considered responses.</p> <p>It is noted that Latrobe City is intended to become a focal point for growth, infrastructure and service investment. Local policy encourages urban growth within four urban centres which make up Latrobe City (Moe-Newborough, Morwell, Churchill and Traralgon). To establish a connected regional city, planning across the four centres will need to allow for the right type of growth in the right locations. Efficient and reliable transport between the four centres will be critical to ensure access and connectivity.</p> <p>Additional work can be undertaken to ensure this occurs without losing the individual character of each town. It is recognised that the collective urban system approach and Latrobe City's status as a Major Regional City are related and will shape the future of Latrobe City and as such should be included as an Overarching Direction.</p>	<ol style="list-style-type: none"> <li><b>Recognise the interconnected nature of a strong economy, cleaner and greener environment and healthy and connected community.</b></li> <li><b>Develop the three Stage 2 strategies concurrently to ensure that common issues are comprehensively addressed across all three strategies.</b></li> <li><b>Build upon the existing 'networked city' policy within the Latrobe Planning Scheme and strengthen the establishment of Latrobe City as a single urban system to secure its role as one of Victoria's four Major Regional Cities.</b></li> </ol>



Key Findings	Discussion	Direction
<ul style="list-style-type: none"> <li>Some parts of Latrobe City are recognised as being disadvantaged. Latrobe City ranked as the 7th most disadvantaged community across the state and the most disadvantaged Regional City.</li> <li>The State Resource Overlay, Environmental Significance Overlay, proposed Urban Amenity Buffer and other land use separation distances required for heavy industry and mining limit opportunities for the use and development of land across significant areas of Latrobe City. If new appropriate industrial, agricultural and other employment opportunities were enabled within these locations this would ‘open up’ a significant opportunities for Latrobe City.</li> <li>Decisions relating to land use and development need to be cognisant of constraints, including: <ul style="list-style-type: none"> <li>Biodiversity</li> <li>Environmental Risks and extreme weather events (including flooding, bushfire)</li> <li>Geology</li> <li>Land Capability</li> <li>Serviceability</li> <li>State Resource Overlay and Environmental Significance Overlays</li> <li>Land Use Separation Buffers. (i.e. separation of major industry/mining from urban areas).</li> </ul> </li> <li>Through Stage 1 of the project, the community expressed a desire to: <ul style="list-style-type: none"> <li>Reposition Latrobe City’s role as a thriving regional centre by attracting new industries that create more employment opportunities that go beyond the energy sector.</li> <li>Leverage local education.</li> <li>Plan for a greener and cleaner future and celebrate the national environmental features that make Latrobe City an attractive place to live.</li> </ul> </li> </ul>	<p>It has been identified that Latrobe City faces a number of significant opportunities and challenges which require meaningful consideration.</p> <p>Traditionally, the municipality has benefited from its association with energy production, owing to the State Significant brown coal resources which exist within the Latrobe Valley. Significant shifts in world energy markets and changing environmental standards are impacting the broader region. Through the development of its Economic Development Strategy, Latrobe City Council, in conjunction with key stakeholders, is currently considering ways in which the unique mix of skills and infrastructure within the municipality may deliver future benefit in a transitioning energy economy.</p> <p>The Gippsland Regional Growth Plan has identified that that the region has aspirations to diversify from a coal region to a region that produces low emissions energy resources and technology; and from an agricultural commodities region to a region that increasingly value-adds to its commodities for domestic and export markets. In particular, the region wants to grow its food production capacity. These regional opportunities may present rural and industrial opportunities within Latrobe City.</p> <p>Latrobe City’s association with coal mining has delivered economic benefit, but has also constrained the way in which land can now be used and developed. The Latrobe Planning Scheme contains restrictions including resource protection and buffer protection areas which have been established to protect major industry, coal resources and support energy production. In combination with other constraints including; biodiversity, bushfire, flood, land capability and serviceability – constraints to growth within the Latrobe City are significant. Recently, questions relating to geology, land subsidence, land slip and concerns stemming from the Hazelwood Mine Fire have added to this complexity. Each of these factors constrains the way in which the Latrobe City can plan for future growth.</p>	<ol style="list-style-type: none"> <li> <p><b>Land use and development constraints are to be recognised in the preparation of all three strategies. These constraints include:</b></p> <ol style="list-style-type: none"> <li><b>Biodiversity</b></li> <li><b>Environmental Risks and extreme weather events (inc Flooding, Bushfire)</b></li> <li><b>Geology</b></li> <li><b>Land Capability</b></li> <li><b>Infrastructure access and serviceability</b></li> <li><b>State Resource and Environmental Significance Overlays</b></li> <li><b>Land use separation buffers (i.e. separation of major industry/mining from urban areas).</b></li> </ol> </li> <li> <p><b>Seek the participation of the Victorian State Government, major industries, community and other key stakeholders to assist in the development of effective policy and strategy responses, particularly in relation to land affected by coal related policies</b></p> </li> </ol>

Key Findings	Discussion	Direction
	<p>The local community has reinforced the extent to which land use constraints impact Latrobe City. It has been identified however that further consideration of coal and heavy industry related planning (i.e. the State Resource Overlay, Environmental Significance Overlay and proposed Urban Amenity Buffers) could support opportunities for new and more intensive land uses in these areas. Given the extent of land impacted by buffers, overlays and other constraints, the identification of compatible or temporary uses of this land is seen as a significant opportunity for Latrobe City.</p> <p>Feedback from the community indicated strong hope and positive aspirations for the future. The community highlighted a connection between job opportunities and a connected, thriving community, and articulated a preference for a cleaner, greener and healthier community in the future.</p>	

### 3.1.2 Housing

Housing includes all work relating to residential land use and also consideration of neighbourhood character and urban design guidelines (for residential uses). It should be noted that housing is considered to include all residential land uses, including housing outside of a residential zone. Housing within a rural area is also considered within the Rural section of this report.

Key Findings	Discussion	Directions
<ul style="list-style-type: none"> <li>• Latest State Government forecasting suggests that Latrobe City is expected to grow at a rate of 0.7%pa, from a population of approximately 74,000 to approximately 83,000 in 2031.</li> <li>• Official population projections identify approximately 60% of the projected growth is expected to be focused in Traralgon, however new urban expansion opportunities adjoining Churchill, Morwell and the Lake Narracan precinct may attract a greater proportion of forecast growth.</li> <li>• In terms of dwellings required to meet residential growth and housing requirements, projections suggest that an additional 5,000 new dwellings across the municipality are required between 2016-2031 (or an average of 330 new dwellings pa). Official projections identify Traralgon being projected to require approximately 2,620 of these new dwellings.</li> <li>• There is likely to be an adequate supply of residential zoned land for the next 15 years, however, when considering available residential land stocks other factors need to be considered including: <ul style="list-style-type: none"> <li>- Demand for housing might exceed projections</li> <li>- Township specific constraints or issues with land development</li> <li>- Quality of land supply – what proportion of identified land stocks are realistically developable</li> <li>- Landowner choice – how much land will eventuate to the market, as some landowners will hold onto land / choose not to develop</li> <li>- Size of land parcels – do the mix of land parcels meet future demand trends, especially with regard to the ageing population and implications for smaller properties</li> <li>- Access and serviceability of land stocks – are the costs of developing sites prohibitive</li> <li>- Conflicts with surrounding uses – are sites/land constrained by surrounding non-residential uses</li> <li>- Long term land constraints affect the municipality, particularly surrounding Latrobe City, and there is a need to consider qualitative influences on land uses and the long term future possibilities for</li> </ul> </li> </ul>	<p>In broad terms, there is adequate supply of currently zoned residential land to accommodate for future growth projections (15 years). There is a need however to consider the broad range of localised pressures and issues which influence residential land supply in Latrobe City. There is also a need to identify longer term opportunities for growth (beyond 15 year supply estimate).</p> <p>Demographic projections suggest Latrobe City will experience and aging population in future. Mixed with this is further population growth and a desire to continue to support Latrobe City as a sustainable place to reside for young families. There is a need to ensure that Latrobe's housing stock is fit to meet future needs, in terms of household size, density, and access to services. At present, there is a large supply of traditional housing stock (detached houses) and limited amount of medium-higher density. Policy directions encourage a diversification of Latrobe City's housing stock to meet future needs. The strengthening of policy at a local level in this manner would build upon existing State and Regional policy supporting smaller households and a diversity of housing.</p> <p>Further consideration should be given to what smaller or medium-higher density housing would mean for Latrobe City, and the best way to achieve such growth to protect continued opportunities for growth in the future. It is noted that previous strategic work relating to housing in Latrobe City has generally occurred at a structure planning, or township level. A Housing Strategy would provide an opportunity to bring together existing work to ensure there is a clear</p>	<ol style="list-style-type: none"> <li>1. <b>Where appropriate, identify opportunities for sustainable growth in existing urban areas.</b></li> <li>2. <b>Ensure that land supply and demand estimates consider localised issues and pressures identified in the Stage 1 Background Report.</b></li> <li>3. <b>Identify longer term opportunities for growth (beyond 15 year supply estimate).</b></li> <li>4. <b>Identify opportunities to diversify Latrobe City's housing stock to provide for smaller households.</b></li> <li>5. <b>Work with State Government and housing providers to consider the role of institutional housing to meet housing needs, as well as the preferred location of institutional and social housing, having regard to the location of services and social impacts.</b></li> <li>6. <b>Provide urban design guidance in relation to housing density and diversity and subdivision design (including street hierarchies, block structures and connectivity).</b></li> <li>7. <b>Develop a Residential Development Framework Plan for the entire Municipality.</b></li> </ol>

Key Findings	Discussion	Directions
<p>growth. As such, while there may be opportunities for expansion to meet 15 years land supply, longer term thinking beyond 15 years should also be a consideration.</p> <ul style="list-style-type: none"> <li>There are limited amounts of medium – higher density forms of housing in Latrobe City. Standard housing comprises 85-90% of all new dwellings approved within the last decade, despite policy support for housing diversity in Latrobe City.</li> <li>There is a strong shift towards lone households and couples without children, with these two household types accounting for over 75% of all household growth projected between 2016-2031.</li> <li>All townships, other than Traralgon, have strong trends of an ageing population and Latrobe's population is predicted to age significantly, with growth of seniors (70-84 years) and elderly aged (85+ years) being the age group with the highest projected growth.</li> <li>Based on our research, recurring urban design themes have been identified which can assist in creating sustainable and liveable places in Latrobe City in future. These are: <ul style="list-style-type: none"> <li>Housing Density, Diversity and Ageing in Place;</li> <li>Identity and Character;</li> <li>Connectivity and Accessibility;</li> <li>Public Realm, Street and Subdivision Design;</li> <li>Growth, Sustainability and Liveability; and</li> <li>Amenity.</li> </ul> </li> <li>A number of housing density and urban design related issues have been identified, including: <ul style="list-style-type: none"> <li>Council's position on density (11 lots/ha) does not align with the Latrobe Planning Scheme with regards to housing density and urban consolidation.</li> <li>There is an apparent lack of acceptance of the housing density encouraged in the Latrobe Planning Scheme.</li> <li>There is a general lack of direction on housing diversity and its application and the Latrobe Planning Scheme provides limited urban design guidance on how to design at medium to higher densities</li> <li>The Latrobe Planning Scheme does not clearly identify strategic redevelopment sites for urban infill and renewal.</li> <li>There is limited policy and no implementation provisions in the</li> </ul> </li> </ul>	<p>direction for housing across the municipality. This is particularly important given the desire for ongoing growth of Latrobe City as a Major Regional City and the significant land constraints faced by Latrobe City.</p> <p>There is a desire from Council and the community to identify the location and opportunities future urban growth, including future broad-acre, infill development and densities. This could be achieved through a Residential Framework Plan to be prepared through Stage 2 of the project.</p> <p>It has been identified that there is a lack of design guidance which promotes the unique attributes of each town. This should be addressed, as community feedback generally supported design outcomes which reflected either existing or preferred character. The rural character of some towns was particularly identified as something some members of the community sought to maintain. Completing the Small Town Structure Plans as identified as being required in the Latrobe Planning Scheme would assist in providing clearer local policies for these areas. This will also be addressed by the overarching policy direction which identifies the need to articulate Latrobe City as a single urban system or 'networked city'.</p> <p>Stage 1 of the project has identified a significant level of interest in the way in which new development looks and functions and how it relates to established areas. There are concerns with the quality of more recent development. Likewise, there is recognition that increasing design standards too far will increase development costs and stifle attempts to provide ongoing opportunities for growth in Latrobe City.</p> <p>It has been identified that there is a gap with regards to understanding existing neighbourhood character, as well as design guidance for new development. Opportunities exist to improve design outcomes for Latrobe City's future housing stock. While guidelines cannot be retrospectively applied, they will greatly</p>	<ol style="list-style-type: none"> <li>Develop small town Structure Plans as identified in the Latrobe Planning Scheme.</li> <li>Evaluate existing neighbourhood character and identify new and emerging characters. Where required, undertake neighbourhood character study.</li> </ol>

Key Findings	Discussion	Directions
<p>Latrobe Planning Scheme regarding neighborhood character and urban design</p> <ul style="list-style-type: none"> <li>- There is a general lack of built form design guidance on how to achieve new character or respond to existing character relevant to each township.</li> <li>- The Latrobe Planning Scheme and other strategic documents place strong emphasis on connectivity and accessibility without providing guidance on implementation.</li> <li>- There is a strong emphasis on self-containment, liveability and sustainable growth within the policies within the Latrobe Planning Scheme and relevant structure plans, however there is a lack of direction within the Latrobe Planning Scheme regarding public realm, street design and subdivision design.</li> </ul> <ul style="list-style-type: none"> <li>• Latrobe City has prepared Structure Plans for each of its major towns. There is a varying level of guidance for Latrobe City's smaller towns. There is a lack of a clear overarching approach to Housing in the municipality. Future work will address this.</li> <li>• Community feedback generally included support for revitalization of existing urban areas in Latrobe City as needing to take priority over expansion of new areas. Morwell, Traralgon and Moe were identified as potential renewal areas.</li> <li>• Rural living occurs across the municipality and provides a valuable and sought after lifestyle choice.</li> <li>• Community feedback identified a number of important issues relating to housing. These can be summarised as: <ul style="list-style-type: none"> <li>- Ensure new housing is located in appropriate areas to balance the rural character of Latrobe City.</li> <li>- A preference for new housing, including affordable and social housing to be located close to existing community infrastructure and be serviced by public transport.</li> <li>- Mixed feedback about the affordability of the area, with some people saying it was affordable, and others saying it was increasingly expensive, or unaffordable.</li> <li>- Dislike for the clustering of social and affordable housing. Some community members expressed preference for social and affordable</li> </ul> </li> </ul>	<p>assist with infill, urban renewal, and new subdivision.</p> <p>The community identified a preference for denser forms of housing to be carefully designed and located in specific locations where the broader character of the Latrobe City would not be affected. Given the strong community feedback on how social housing is provided within the municipality, consideration of this should be included within the housing strategy.</p> <p>Development of a Housing Strategy through Stage 2 will need to consider these issues in more detail. The strategy should be developed with the aim of improving the level of direction and certainty for council, community, and industry.</p>	

Key Findings	Discussion	Directions
<p>housing to be dispersed within new or existing areas.</p> <ul style="list-style-type: none"> <li>- A desire to encourage well designed different types of housing to be built in new developments or in renewal sites across the municipality that help people to age or stay in place.</li> <li>- A desire to strengthen and grow community networks and connections through more shared open spaces, walking and cycling paths and places for people to meet.</li> <li>- The need to improve the quality of design.</li> <li>- Support for new development to incorporate sustainable design.</li> </ul>		



### 3.1.3 Industrial and Employment Strategy

Industry and Employment considers industry uses generally related to the Rural and Industrial suite of zones, but it is recognised that these uses can occur in other zones such as the Commercial suite of zones, or the Special Use Zone. Employment can occur in most zones; however the focus of this strategy is on industrial related employment. It is recognised that there is some overlay with the Rural Land Use Strategy, as industrial uses can be located within rural areas. As the focus of this strategy is Industry, industries within rural areas are to be considered as part of this strategy.

Key Findings	Discussion	Directions
<ul style="list-style-type: none"> <li>Compared to State averages, the Latrobe City has a higher representation of jobs associated with electricity, gas, water &amp; waste services and mining.</li> <li>The core industrial-related activities of electricity, gas, water &amp; waste services, manufacturing and construction, are critical to Latrobe City's economic output with these three sectors accounting for 50% of the municipality's Gross Regional Product although representing only 24% of Latrobe City's jobs.</li> <li>The Latrobe Valley's electricity generation sector is significant to overall regional employment, with every job in the sector supporting an additional four to five local jobs in the economy through supply chain linkages and flow-on spending effects.</li> <li>Other major contributors to Latrobe City's economy include forestry, pulp and paper, food production, agriculture, manufacturing, retail and health services. The success of these industries is strengthened by an established network of electricity infrastructure, accessible rail and road links to Melbourne, as well as larger freight networks across the State and Australia.</li> <li>Building on Latrobe City's identified strengths, position with the region, and changing demographics, opportunities to diversify Latrobe City's economy should be pursued. This should be built on identified local opportunities, which are currently being explored through council's Economic Development Strategy.</li> <li>Over the past decade an average of 10 permits for new industrial buildings have been issued, however, the number and value of these permits has declined over the past 5 years. Industrial land sales data also shows a decline in transactions in recent years.</li> <li>While the municipality appears to have sufficient long-term industrial land stocks, even when increased demand is factored in, additional</li> </ul>	<p>Electricity generation is significant to the economy of Latrobe City, based on direct / indirect employment and Gross Regional Product. Other major contributors to Latrobe City's economy include forestry, pulp and paper, food production, agriculture, manufacturing, retail and health services. The success of these industries is strengthened by an established network of electricity infrastructure, accessible rail and road links to Melbourne, as well as larger freight networks across the State and Australia.</p> <p>Recognising the potential restructure of the power generation sector and preparing for a transition to a lower carbon economy are important for Latrobe City. Further diversification of employment opportunities is considered a priority. Growing new markets for low emission energy resources and food are considered opportunities. Latrobe City's strong foundation in engineering provides skills which are potentially transferable to the health sector and to food production.</p> <p>There is a nexus between providing sustainable employment opportunities with attracting / retaining a working aged population. While Latrobe City's proximity to the Melbourne metropolitan area may present opportunities for employment outside of the municipal area, (particularly Dandenong and Pakenham which are accessible by both road and rail) Latrobe City will need to continue to provide sustainable local employment opportunities. The relationship between industry and employment, housing, and communities needs to be considered. Likewise, the demands on rural land to support more intensive rural industries also need to be considered. It will be important that Stage 2 strategies are prepared concurrently and have regard to the overlapping</p>	<ol style="list-style-type: none"> <li><b>Diversification of employment opportunities is considered a priority for Latrobe City. Growing new markets for low emission energy resources and food are considered opportunities.</b></li> <li><b>Recognise the significance of industrial land uses through the planning scheme.</b></li> <li><b>Capture identified economic opportunities (as relevant to land use planning) and incorporate relevant directions from the Economic Development Strategy (currently being prepared by Council) into the Industrial Land Use and Employment Strategy.</b></li> <li><b>Identify critical infrastructure required to support existing and new industry investment.</b></li> <li><b>Identify the purpose, role and opportunities of the key industrial precincts in Latrobe City.</b></li> <li><b>Provide a short, medium and long term approach to industrial land. This should specifically include exploration of land previously identified for a transition from/to industrial.</b></li> </ol>

Key Findings	Discussion	Directions
<p>considerations as to the appropriateness of the land in relation to location, serviceability and types of land use should be undertaken. This will determine if industrial land stocks are suitable to accommodate traditional and emerging industries.</p> <ul style="list-style-type: none"> <li>There is an existing lack of strategic understanding of industrial land, including the role, function and future of industrial land in Latrobe City, owing to the lack of an Industrial Land Use Strategy. This may be negatively impacting land use decisions not only relating to industrial land, but also rezoning to other zones, specifically housing.</li> <li>Community feedback identified a number of important issues relating to Industrial and Employment. These can be summarised as: <ul style="list-style-type: none"> <li>The community was eager to see new and more diverse employment opportunities for local people, particularly opportunities which can capitalise on the skills and expertise of the current workforce.</li> <li>The community identified that job security is a major concern, and that was a need to build on the existing skills and resources in Latrobe City to transition into new and more sustainable industries such as advanced manufacturing and renewable energy.</li> <li>The community identified that education and training has important links in retaining skills and young people in Latrobe City, and to support the growth of new industries</li> <li>The community sought to encourage greater flexibility and diversity in the job market to ensure all residents have access to local employment opportunities.</li> <li>The community feedback on land use buffers indicated that they were generally accepted. Some members of the community supported the more intense use of this land, and suggested there may be ways which allow for more intensive land uses which did not preclude future use of the land by the energy industry.</li> </ul> </li> </ul>	<p>issues, opportunities, and challenges presented by each.</p> <p>Council has not undertaken an Industrial Study previously and faces challenges in accommodating the needs of a changing industrial sector. There is a current gap in the level of strategic understanding of industrial land in Latrobe City including its role, and future function. Latrobe City Council needs to pursue an Industrial and Employment Land Use Strategy on Stage 2. An Industrial Land Use Strategy would provide an opportunity to better understand the role and function of existing and future industrial land.</p> <p>There is a need to ensure the existing industrial land uses in Latrobe City are sufficiently recognised through land use planning. While large scale operations, particularly the energy generation sector, are well identified in the Latrobe Planning Scheme, other industrial areas lack strategic planning identification.</p> <p>Many of Latrobe City's towns are constrained for growth. Some structure plans have identified industrially zoned that may transition in the future to residential. In the absence of an Industrial Land Use Strategy, there has been a gap in understanding of the role and possible future of some industrial land. The Industrial Land Use and Employment Strategy provides an opportunity to further explore industrial areas which may be ready transition in the short or medium term, or which are likely to remain in place for the long term.</p> <p>The current lack of an Industrial Land Use Strategy may mean that there is an inadvertent lack of 'defence' or 'protection' of industrial land, or at least a lack of an understanding within planning of the significance of local industrial areas. In this regard, the development of an Industrial Land Use Strategy is important for the municipality.</p> <p>The work undertaken to date as part of Live Work Latrobe City has identified some opportunities for new industries to be attracted to Latrobe City. Some of these are locational (such opportunities presented by existing</p>	<ol style="list-style-type: none"> <li><b>Investigate land use options within the State Resource Overlays, heavy industry and mining buffers, recognising these matters are under State Government control.</b></li> <li><b>Recognise land use separation distances or threshold distances.</b></li> <li><b>Provide design guidance for new industrial development.</b></li> </ol>



Key Findings	Discussion	Directions
	<p>infrastructure like the Airport), and some are broader and could be located in various locations within Latrobe City. Food processing industries in particular will warrant specific consideration. This will be explored as appropriate through the opportunities identified within the Economic Development Strategy. This matter is also addressed as part of the Rural Land Use Strategy. Strong partnerships and investment by the State Government to improve freight and logistics services and upgrades to water infrastructure are considered important to Latrobe City's future.</p> <p>There are some critical limitations on the use of industrial land which need to be considered:</p> <ul style="list-style-type: none"> <li>• The State Resource Overlay, Environmental Significance Overlays, proposed Urban Amenity Buffer and land use separation distances from major industry limit opportunities for the use and development of a significant proportion of land within Latrobe City. Further consideration of uses which could potentially operate in this context should be considered. To varying degrees, design responses could assist to address interface issues and may be able to reduce negative amenity impacts, particularly to sensitive interfaces. Appropriate design guidelines for industrial areas, particularly new industrial areas, can support the operation of industries operating in the area, such as ensuring effective road networks or accessibility.</li> <li>• Latrobe City contains some Industrial 2 Zone land. The land is finite in a State context in that the zone supports land uses which require significant threshold distances (or land use separation distances). The ability to accommodate heavy industry has been noted as an economic opportunity for Latrobe City. As such, required separation distances should be considered as part of future strategic work.</li> <li>• Land use buffers and amenity buffers are informed through the Environmental Protection</li> </ul>	

Key Findings	Discussion	Directions
	<p>Authority (EPA) and land uses which require separation distances should be broadly considered, particularly where land is being investigated for transition to another zone.</p> <ul style="list-style-type: none"> <li>In relation to the coal resource protection and coal mining buffers, it is important to note that this is controlled by the State Government, and is not a local control. While investigations into the operation of these controls can occur as part of the future strategy, any changes to the existing approach would need specific support from the State Government.</li> </ul> <p>Employment and Industry is complex within the Latrobe City context. A careful approach which considers current and future demand for industrial land is required. Input from State Government and key stakeholders will be critical to the success of future Strategy.</p>	

### 3.1.4 Rural Land Use Strategy

The Rural Land Use Strategy includes all rural land, regardless of if it is addressed within the Housing Strategy and/or Industry and Employment Strategy.

Key Findings	Discussion	Directions
<ul style="list-style-type: none"> <li>Latrobe City contains areas of valuable or high class agricultural land. The protection of agricultural land needs to be considered in light of current and future needs.</li> <li>Gippsland contributes significantly to Victoria's overall food production. The Gippsland Regional Growth Plan has identified that the region has aspirations to diversify from a coal region to a region that produces low emissions energy resources and technology; and from an agricultural commodities region to a region that increasingly value-adds to its commodities for domestic and export markets. In particular, the region wants to grow its food production capacity.</li> <li>Rural living occurs across the municipality (both within the Rural Living Zone and Farm Zone). Rural Living provides a valuable and sought after lifestyle choice which have supported the viability of smaller townships. Smaller rural lots may also support niche or hobby farms on small allotments. However, there are challenges associated with Rural Living which require further consideration. The use of land for rural living can remove productive land from the Farm Zone. Consideration as to where council will or will not allow Rural Living is required.</li> <li>Consideration is also required as to the types of infrastructure and services which will be provided to rural living settlements, noting their rural context. Council could articulate and distinguish between the types of infrastructure and services that will be provided within the rural context from that of an urban area.</li> <li>Some of Latrobe City's rural areas contain high landscape and biodiversity values, which are not formally recognised through the Latrobe Planning Scheme.</li> <li>Some rural areas in Latrobe City function primarily as buffers and there is a concern that this land is not being used to its full potential. Opportunities for the short term and longer term use of this land need to be further explored in discussion with key stakeholders.</li> </ul>	<p>Local Government amalgamations, introduction of new format planning schemes, and changes in Rural Zones and associated policy over the past 20-30 years have impacted the way in which rural land can be used and developed in Latrobe City. While many of these changes have occurred through decisions made at a State Level, more can be done to better understand and articulate the priorities for rural land at a municipal level.</p> <p>Stage 1 of <i>Live Work Latrobe</i> has identified a number of competing demands for rural land. In many ways, the challenges faced by Latrobe City are not dissimilar from those experienced across the Gippsland Region or more broadly across Regional Victoria.</p> <p>Latrobe City contains areas of valuable or high class agricultural land. The protection of agricultural land needs to be considered in light of current and future needs, taking into account future changes such as climate change, changes in agricultural and land management practices and emerging technologies.</p> <p>Specific to the region, Gippsland contributes significantly to Victoria's overall food production. While primary production will continue to be important within Latrobe City, there is a desire (as referenced through current State, Regional, and Local Policy) for Latrobe City to leverage existing infrastructure and relative proximity to Melbourne and provide 'value adding' rural industries for Gippsland. There are several opportunities and threats which require further investigation:</p> <ul style="list-style-type: none"> <li>More intensive agricultural activities may offer economic and employment benefits.</li> <li>Intensive agriculture can also generate issues such as landscape degradation, noise, increased traffic, and greater demands on infrastructure.</li> <li>While road and rail connections as well as access to water, power, and gas supplies are strong, is Latrobe City's infrastructure suitable to support intensive agriculture? What are the priorities for new infrastructure investment?</li> </ul>	<ol style="list-style-type: none"> <li><b>Protect high quality agricultural land and recognise the impact climate change may have on the productivity of the land in the future.</b></li> <li><b>Explore opportunities for niche farming, intensive agricultural uses, new rural industries and food processing.</b></li> <li><b>Recognise areas of particular environmental or landscape value.</b></li> <li><b>Develop clear policies relating to the future of rural land, specifically addressing policy directions as to where rural living is appropriate and where it should be discouraged; and how existing small lots within the Farming Zone will be best managed/utilised.</b></li> <li><b>Articulate the purpose of rural living areas, clearly differentiating its role from urban residential zones.</b></li> <li><b>Consider environmental risks and extreme weather events, specifically including bushfire as risk to life.</b></li> <li><b>Consider areas suitable for different forms of rural land use including intensive farming, intensive agriculture, tourism, and conservation.</b></li> <li><b>Consider application of the full suite of Rural Zones and other planning tools which may be used to support different rural activities.</b></li> </ol>

Key Findings	Discussion	Directions
<ul style="list-style-type: none"> <li>Community feedback identified a number of important issues relating to Rural Land Use. These can be summarised as:</li> <li>- There was broad community support to continue to support existing farming industries that positively contribute to the local, state and national economies.</li> <li>- Community support for diversified farming that will create a new niche in agri-tourism for Latrobe City.</li> <li>- Community desire to work collaboratively with local farmers Federation University and the State Government to provide education that encourages younger people to turn to farming.</li> </ul>	<ul style="list-style-type: none"> <li>Are there locations where intensive agriculture could be supported over others having regard to land use conflict, availability of existing infrastructure, and access?</li> <li>Are there changes in policy and zoning which could be made to better support rural land use?</li> </ul> <p>Quite unique to Latrobe City (in the Gippsland context) is the amount of rural land which is constrained by buffers. There is concern that this land is not being used to its full potential. Opportunities for short term and longer term use of this land need to be further explored in discussion with key stakeholders. Coal buffer investigations shall principally occur within the Industrial Land Use and Employment Strategy. Opportunities for more intensive rural land use, including food processing, but also intensive agriculture, tourism and the like will be specifically addressed within the Rural Land Use Strategy, as supported by community feedback.</p> <p>A further issue that needs to be considered is Rural living. Rural Living occurs across the municipality (both within the Rural Living Zone and Farm Zone). Rural living provides a valuable and sought after lifestyle choice and can support niche or hobby farms on small allotments. There are however challenges associated with rural living which require further consideration. The use of land for rural living can remove productive agricultural land from the Farm Zone. Consideration as to where council will or will not allow rural living is required. Consideration is also required as to the types of infrastructure and services which will be provided to rural living settlements, noting their rural context. Latrobe City Council has the opportunity to articulate and distinguish between the types of infrastructure and services that will commonly be provided within the rural context from that of an urban area to address different expectations of amenity and services.</p> <p>The community identified frustrations with a lack of clear policy directions for rural land, particularly where there was a desire for rural living on smaller blocks of land. The Rural Land Use Strategy will provide an opportunity for Council to develop clear policy directions as to where and how much Rural Living Land it wishes to support. It will also provide an opportunity to</p>	

Key Findings	Discussion	Directions
	<p>clearly articulate its expectations for Rural Living Land, clearly differentiating its role from urban residential zones.</p> <p>Further to the above issues, Stage 1 has identified some rural land in Latrobe City as containing high biodiversity, landscape, and township character values:</p> <ul style="list-style-type: none"> <li>• At present, some of Latrobe City's rural areas contain landscape and biodiversity values, which are not formally recognised through the Latrobe Planning Scheme. There is a lack of certainty as to what may or may not be significant.</li> <li>• Consideration relating to intensification of land use in rural areas should be balanced with consideration as to what impacts more intensive land uses may have on biodiversity and landscape values.</li> <li>• While there is a community desire for rural townships to prosper, there is a desire for this to occur sustainably and not at the expense of valued character. The value appears to be two-fold – "township character", and natural "landscape character". Individual towns have an identity which local communities wish to retain.</li> </ul> <p>This should be further tested through the Rural Land Use Strategy and supported by character assessments where required. The future strategy should recognise and where appropriate protect significant features, such as landscape character or areas of high biodiversity. The Rural Land Use Strategy should also seek to support the retention of individual town character.</p>	

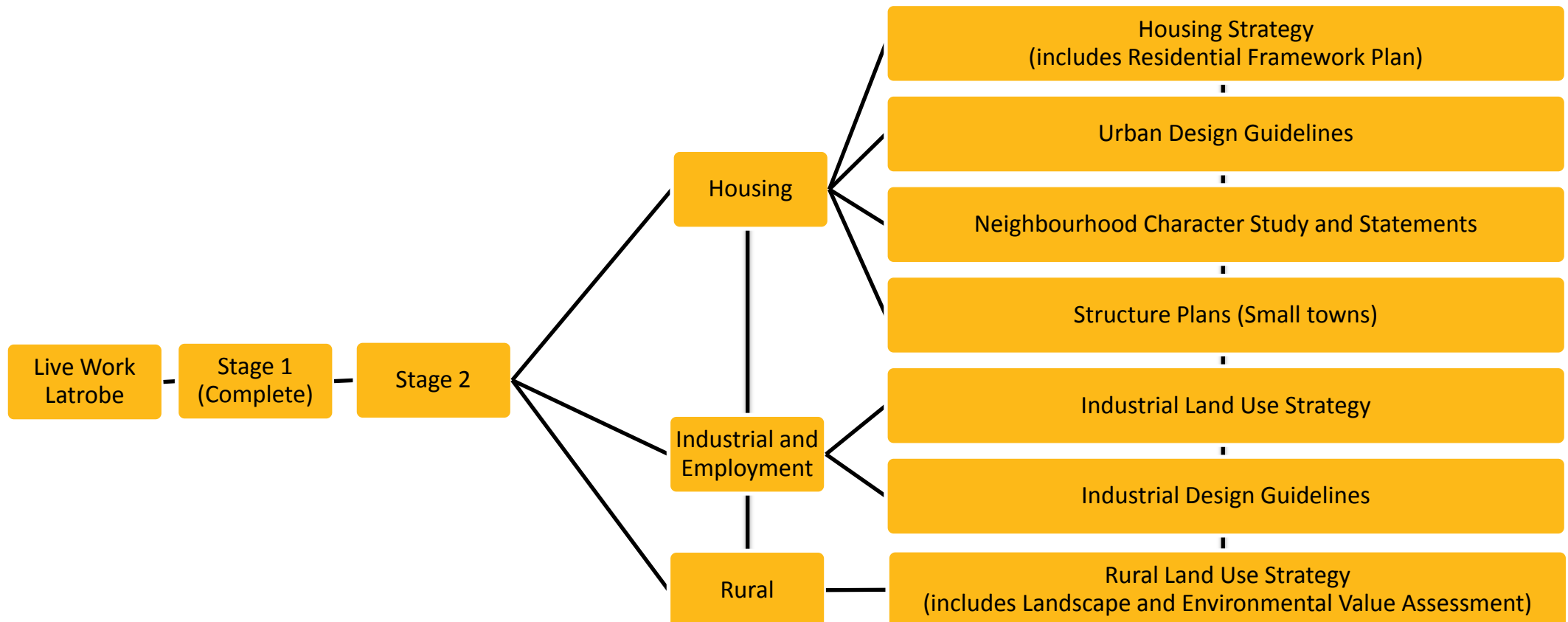
## 4 Next Steps

The completion of this Policy Directions Report concludes Stage 1 of Live Work Latrobe.

Stage 2 sees the development of the three strategies. The development of these strategies will be guided by the principles identified within this document.

Finalisation of the scope and timing of each of the strategies is yet to be confirmed. The figures below provide an indicative process for each strategy. These will be confirmed by Council early 2016.

The following work program is provided indicatively to demonstrate the suggested priorities for understanding delivery of future projects. Where considered necessary, we have divided up project outputs to allow for some projects to be completed first, and inform the future work moving forward. It is likely appropriate that the short term projects are implemented into the Latrobe Planning Scheme while other projects are underway. For example, any policy changes suggested by the completed Housing Strategy can begin to be implemented into the Latrobe Planning Scheme whilst the other work, such as the Neighborhood Character Study, are underway.



Housing	
Project	Expected Commencement Timeframe
Housing Strategy (including Residential Development Framework Plans)	2015/2016
Urban Design Guidelines	2015/2016
Planning Scheme Implementation of the above	2016/2017
Neighbourhood Character Study and Neighbourhood Character Statements	2017/2018
Small Town Structure Plans	2017/2018
Planning Scheme Implementation of the above	2018/2019

Industrial and Employment	
Project	Expected Commencement Timeframe
Industrial Land Use Strategy	2015/2016
Planning Scheme Implementation of the above	2016/2017
Industrial Design Guidelines	2017
Planning Scheme Implementation	As required

Rural	
Project	Expected Commencement Timeframe
Rural Land Use Strategy ( Latrobe Environment and Landscape Value Assessment)	2015/2016
Planning Scheme Implementation	2017